

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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| In re QIAO XING SECURITIES LITIGATION: | : |
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| | Master File No. 07-CV-7097 (DLC) |
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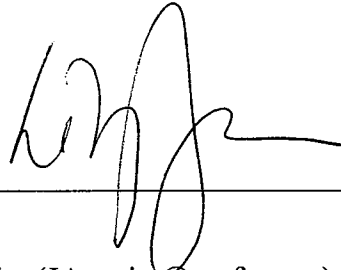
STATEMENT PURSUANT TO FED. R. CIV. P. 23(e)(3)

Defendants Qiao Xing Universal Telephone, Inc., Rui Lin Wu, Albert Leung, Zhi Yang Wu, Sonny Kwok Wing Hung, Ze Yun Mu, and Yi Hong Zhang (collectively, the “Qiao Xing Defendants”), by and through their undersigned counsel of record, file this statement pursuant to Federal Rule of Civil Procedure 23(e)(3). As required by Rule 23(e)(3), in addition to the Stipulation of Settlement filed with the Court on February 25, 2008, the Qiao Xing Defendants identify the following agreements made in connection with the proposed settlement (the “Settlement”):

1. An agreement, confirmed by email dated March 12, 2008, between lead plaintiff counsel and counsel for the Qiao Xing Defendants, providing that lead plaintiff counsel will electronically forward to counsel for the Qiao Xing Defendants copies of objections to the Settlement and requests for exclusion received by lead plaintiff counsel. A true and correct copy of this agreement is attached hereto as Exhibit A.
2. A confidential agreement, dated February 25, 2008, between Defendants and Lead Plaintiff pursuant to Paragraph 8.4 of the Stipulation of Settlement. A true and correct copy of this agreement was filed with the Court under seal on March 5, 2008.

Dated: New York, New York
April 9, 2008

MORRISON & FOERSTER LLP

A handwritten signature in black ink, appearing to be 'JA', is written over a horizontal line.

Jack C. Auspitz (JAuspitz@mofo.com)

Joel C. Haims (JHaims@mofo.com)

Lily M. Fan (LMFan@mofo.com)

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Attorneys for Qiao Xing Defendants

EXHIBIT A

Fan, Lily M.

From: Brian P. Murray, Esq. [bmurray@murrayfrank.com]
Sent: Wednesday, March 12, 2008 3:27 PM
To: Fan, Lily M.; 'Greg Linkh'
Cc: Haims, Joel C.
Subject: RE: In re Qiao Xing Securities Litigation 07cv348

agreed

From: Fan, Lily M. [mailto:LMFan@mofo.com]
Sent: Wednesday, March 12, 2008 3:05 PM
To: Brian P. Murray, Esq.; Greg Linkh
Cc: Haims, Joel C.
Subject: In re Qiao Xing Securities Litigation 07cv348

Brian and Greg,

Please confirm, by replying to this email, that lead plaintiff counsel, Murray, Frank & Sailer LLP, will electronically forward to Joel Haims, Esq. and Lily Fan, Esq. of Morrison & Foerster LLP, attorneys for Qiao Xing Universal Telephone, Inc. and the Individual Defendants in *In Re Qiao Xing Securities Litigation*, copies of any and all (1) Objections to the Settlement and (2) Requests for Exclusion received by lead plaintiff counsel from Settling Class Members in the above captioned matter. Lead plaintiff counsel will make the best effort to forward such documents within one to two business days of receipt.

This is a proposal for the agreement to which Judge Cote referenced at the March 5th, 2008 hearing for preliminary approval of settlement. If lead plaintiff counsel believe that the parties should enter into a more formal agreement, please provide us with a proposed draft.

Thank you so much.
Lily Fan

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CERTIFICATE OF SERVICE

I, Lily M. Fan, counsel for defendants, hereby certify that on this date, April 9, 2008, I caused to be served, by email, a copy of the attached Statement Pursuant to Fed. R. Civ. P. 23(e)(3) upon the following:

Counsel for Lead Plaintiffs
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Lily M. Fan